Enclosed are select charts from our April Economic Chart Book discussing:

- Global Economic Slowdown or Green Shoots?
- Global Interest Rates
- US GDP and Economic Outlook
- The US Labor Market & Continuing Claims
- The US Housing Market
- Consumer Credit Spreads & Supply

Link to Torsten Slok’s full April Economic Chart Book can be found here.
Chinese data improving

China: manufacturing PMI vs manufacturing new export orders

Source: CFLP/NBS, Haver Analytics, DB Global Research
Euro area PMI points to ECB easing

- Change in ECB's refinancing rate (ls)
- Euro area manufacturing PMI new orders (rs)

Source: ECB, IHSM, Haver Analytics, DB Global Research
German 10-year rate now below Japan’s 10-year rate

10 year benchmark government bond yield

Source: Bbk, MoFJ, Haver Analytics, DB Global Research
The credit cycle is leading the economic cycle. Economic slowdown risk is rising.

Note: Composite consumer loans consists of eight loan types: personal, automobile direct & indirect, mobile homes, recreational vehicles, marine financing loans, property improvement and home equity and second mortgage loans.

Source: BLS, ABA, Haver Analytics, DB Global Research
Has the unemployment rate bottomed? A rising unemployment rate will magnify household balance sheet problems

US Continued jobless claims

Source: Department of Labor, Haver Analytics, DB Global Research
Stock of risk-free assets growing dramatically:
Rise in US Treasury supply from tax cuts and Fed balance sheet rundown will crowd out investments in IG, HY, and equities

**US fixed income supply**

- CBO baseline deficit
- Fed SOMA Redemptions
- IG bonds maturing
- HY bonds maturing

Notes: Deficit projections based on the January 2019 CBO Outlook and are adjusted from fiscal year basis to calendar year basis.

*If the Fed stops the runoff in October 2019*

Source: Steven Zeng, Michal Jezek, Standard & Poor’s Financial Services LLC, DB Global Research
50% of the IG index is BBB

Share of market value in Bloomberg Barclays USD IG

Source: Bloomberg Finance LP, DB Global Research
BBB is a growing problem

Source: Bloomberg Finance LP, DB Global Research
Torsten Slok, Ph.D.

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- Torsten Slok joined Deutsche Bank Securities in the fall of 2005.
- Mr. Slok’s Economics team has been top-ranked by Institutional Investor in fixed income and equities since 2010. Slok currently serves as a member of the Economic Club of New York.
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Appendix 1
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